



Training Proposal for:
International Rectifier Corporation
Agreement Number: ET12-0231

Panel Meeting of: **December 16, 2011**

ETP Regional Office: **North Hollywood**

Analyst: J. Romero

PROJECT PROFILE

Contract
Type: Priority/Retrainee

Industry
Sector(s): Manufacturing

Counties
Served: Los Angeles, Santa Clara,
 Riverside

Repeat
Contractor: ☒ Yes ☐ No

Union(s): ☐ Yes ☒ No

Priority
Industry: ☒ Yes ☐ No

No. of Employees in CA: 1,700

No. of Employees Worldwide: 5,000

Turnover Rate %	Manager/ Supervisor %
9%	10%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding
\$165,600	\$0	\$165,600

In-Kind Contribution
\$120,000

TRAINING PLAN TABLE

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Business Skills, Computer Skills, Continuous Improvement, Manufacturing Skills	200	24 - 200	0	\$828	\$14.09
				Weighted Avg: 46			

Minimum Wage by County: \$15.37 per hour for Los Angeles and Santa Clara counties and \$14.09 per hour for Riverside County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

\$3.20 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Administrative Staff	
Customer Service Staff	
Engineers	
IT Staff	
Managers	
Production Staff	
Supervisors	
Support Staff	
Technical Staff	

INTRODUCTION

In this proposal, International Rectifier Corporation (IRC) seeks funding for retraining as outlined below:

IRC has manufactured and designed power management semiconductors since its inception in 1947 when it first ventured in the production of Selenium rectifiers. In 1958, the company introduced commercial Zener diodes and solar cells. Today, IRC has advanced in the development of power management technology from digital, analog and mixed signal integrated circuits to more advanced circuit devices, power systems, and components used by leading manufacturers of computers, automobiles, consumer electronics, and defense systems worldwide. IRC meets the Panel's requirements for out-of-state competition for manufacturers

and priority industry reimbursement. (Title 22, California Code of Regulations (CCR), Section 4416(d)(1,2).)

With the power management technology playing a key role in saving the world's dwindling energy reserves, IRC's technology makes variable-speed operation practical and affordable for everything from conveyor belts to washing machines. IRC products allow laptop computers to run longer, as well as improve vehicle performance and fuel economy with electronic steering and other advances.

IRC is requesting training funds to support the increased demand for Digital Power Management Applications and Energy Savings Products. With the attempt to reduce energy usage and costs, the industrial, appliance, and automotive manufacturers are converting from hydraulic, pneumatic, and mechanical power systems to electric power systems. The company is in the unique position to supply digital circuit boards and devices for power management systems. This has resulted in increased product demand which the company aims to meet by expanding its design and production capacity.

With this ETP-funded training, the company will be able to train its employees faster and more effectively and aid them in adapting to new job processes since they will receive structured training, directly related to their job requirements.

Training will take place at three IRC facilities in California, namely, El Segundo, Temecula and San Jose and will be provided to 200 employees from these locations. According to the company representative, the training will be directly related to trainee's occupational job requirement and will be provided in a structured class/lab training setting.

PROJECT DETAILS

IRC will provide the following training to 200 retrainees:

Business Skills

Training will improve communication skills, understanding customer relations, and learning how to prioritize and responding to customer needs. This will result in improved customer satisfaction and increased sales.

All trainees will receive training in Business Presentation, Business Processes, Customer Relations, Effective Presentation, Managing Your Priorities, Negotiating Skills, Product Specifications, Putting Customer First, Reducing Returns, Resolving Conflicts, and Team Communication.

Computer Skills

IRC is modernizing its software infrastructure to allow growth within the company. It is implementing a SAP Management Resource Planning system that will change the way the company does business. This will result in quicker turnaround in the creation of product designs and an improved production speed. The information will also help improve product quality and reduce delivery times. As the new software applications become available the company must train employees on new computer technology.

Information Technology Staff, Engineers, Managers, Supervisors, and Technical Staff will receive courses in Crosspoint Software, Production Software, Programming Applications, SAP

Staff, Customer Service Staff, Production Staff, and Support Staff will receive training in Data Model/Authoring, Fabtime Software, Internet Applications, Network Support and Troubleshooting, SAP Software Applications, Sharepoint Applications, and User Administration.

Continuous Improvement

Improving product quality is critical to the company's success. Clients are requiring increased product reliability and faster delivery times. IRC will expand quality systems to focus on how to improve quality and efficiency.

All staff will receive training in Cellular Manufacturing, Data Simulation, Kaizen Event Training, Lean Team, Problem Solving, Managing Demand Changes, Quality Standards, Set-Up Reduction, and Six Sigma.

Manufacturing Skills

The shift in technology requires employees to learn new hardware and software production procedures. Employees need to develop new technical skills to keep pace with changes in product design and manufacturing processes. This will provide the newly-hired employees the skills to enable them to manufacture better quality products and with higher accuracy.

Engineers, Managers, Supervisors and Technical Staff will receive training in Advanced Engineering Skills, Engineering Concepts, Engineering to Improve Energy Usage, and Production Processes. Managers, Supervisors, Production Staff, and Support Staff will receive training in Blueprint Reading, Operating Procedures, Product Models and Parts, Production Equipment, Production Processes, and Technical Standards.

Commitment to Training

IRC represents that ETP funds will not displace the existing financial commitment to training. In addition to the investment for technology upgrades. IRC has appropriated funds for ongoing training at all locations. With the increase in demand of its product and the expected increase in total employment, the company anticipates expending \$120,000 annually in additional training. Indeed, the company anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

IRC represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by IRC under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned
ET09-0427	El Segundo	02/07/09-02/06/11	\$74,736	\$74,736

DEVELOPMENT SERVICES

IRC retained National Training Company, Inc. (NTCI) in Irvine to assist with development of this proposal for a flat fee of \$4,895.

ADMINISTRATIVE SERVICES

NTCI will also perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

24 - 200

Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- Cellular Manufacturing
- Data Simulation
- Field Application Engineering
- ISO 14001
- ISO 9000
- Kaizen Event Training
- Lean Team Problem Solving
- Managing Demand Changes
- Managing Supply
- Mistake Proofing
- Process Improvement
- Quality Standards
- Reduce Scrap/Reducing Waste
- Scorecarding and Alerting
- Set-Up Reduction
- Six Sigma
- Standard Work Kaizen
- The Team Approach
- Visual Controls

COMPUTER SKILLS

- Crosspoint Software
- Data Model/Authoring
- Fabtime Software
- Internet Applications
- Network Support and Troubleshooting
- Production Software
- Programming Applications
- SAP Application Design
- SAP Software Applications
- Sharepoint Applications
- User Administration

MANUFACTURING SKILLS

- Advanced Engineering Skills
- Blueprint Reading
- Engineering Concepts
- Engineering to Improve Energy Usage
- Operating Procedures
- Operating Production Equipment
- Product Models and Parts

- Production Equipment
- Production Processes
- Technical Standards

BUSINESS SKILLS

- Business Presentation Skills
- Business Processes
- Customer Relations
- Effective Presentation Skills
- Managing Your Priorities
- Negotiating Skills
- Product Specifications
- Putting the Customer First
- Reducing Returns
- Resolving Conflicts
- Team Communication

Note: Reimbursement for retraining is capped at 200 total training hours per trainee.